



Senate

General Assembly

File No. 159

February Session, 2006

Substitute Senate Bill No. 561

Senate, March 28, 2006

The Committee on General Law reported through SEN. COLAPIETRO of the 31st Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT PROHIBITING EXPIRATION OF CREDIT RECEIPTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 42-460 of the 2006 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective October 1, 2006*):

4 (a) No person may sell or issue a gift certificate, as defined in section
5 3-56a, or issue a merchandise or service credit or receipt for such
6 merchandise or service credit that is subject to an expiration date. No
7 gift certificate, merchandise or service credit, receipt for such
8 merchandise or service credit or any agreement with respect to such
9 gift certificate or merchandise or service credit or receipt may contain
10 language suggesting that an expiration date may apply to the gift
11 certificate or merchandise or service credit or receipt.

12 (b) Nothing in this section shall be construed to prevent a holder
13 from honoring a gift certificate, the unredeemed value of which has
14 been reported to the Treasurer pursuant to part III of chapter 32, and

- 15 thereafter seeking reimbursement from the Treasurer.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	October 1, 2006	42-460
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Statement of Legislative Commissioners:

In Subsec. (a) of section 1 "or" was added before merchandise for clarity.

GL *Joint Favorable Subst.-LCO*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

This bill prohibits any person from issuing a merchandise or service credit which has an expiration date. This bill also prohibits any language suggesting that an expiration date may apply from appearing on the merchandise or service credit certificate. There is no fiscal impact.

The Out Years

There is no fiscal impact in the out years.

OLR Bill Analysis
SB 561***AN ACT PROHIBITING EXPIRATION OF CREDIT RECEIPTS.*****SUMMARY:**

This bill prohibits issuing a credit for merchandise or service, or a receipt for a merchandise or service credit, that has an expiration date. Further, such credits, receipts, or related agreements must not include any language suggesting that they expire. The law already prohibits issuing a gift certificate that has an expiration date or that has language suggesting that it expires.

EFFECTIVE DATE: October 1, 2006

BACKGROUND***Gift Certificate***

The law defines "gift certificate" as a record evidencing a promise, made for consideration, by the seller or issuer of the record that goods or services will be provided to the owner of the record to the value shown in the record. It includes but is not limited to (1) a record that contains a microprocessor chip, magnetic strip, or other means to store information that is pre-funded and for which an amount is deducted from the stored value upon each use; (2) a gift card; (3) a stored-value card or certificate; (4) a store card; or (5) a similar record or card. It does not include prepaid calling cards or prepaid commercial mobile radio services (CGS § 3-56a (5)).

COMMITTEE ACTION

General Law Committee

Joint Favorable

Yea 15 Nay 0 (03/14/2006)